

11—40.2(8A) Scope and purpose.

40.2(1) The purpose of these rules is to establish a procedure by which state agencies can cooperate in identifying debtors who owe liabilities to those state agencies and to establish a procedure for offsetting debtors' claims against state agencies with liabilities or debts which those debtors owe the state agencies.

40.2(2) Agencies may collect debts under the provisions of Iowa Code Supplement section 8A.504 through the daily processing offset system. Agencies utilizing the income tax refund offset system under the provisions of Iowa Code Supplement section 8A.504, which allows for the recovery of child support, foster care, and public assistance payments; the recovery of guaranteed student or parental loans; or recovery of any liquidated sum due, owing, and payable to the clerk of the district court may also utilize this offset system to collect debts due. Any state agency exempt from the provisions of Iowa Code Supplement section 8A.513 and that is making payments shall be subject to these rules.

40.2(3) Inclusions in and exclusions from setoff. The offset system may be used to collect any debt described in rule 40.1(8A). However, some claims against the state or state agencies on behalf of certain persons are made from funds exempt from collection and are thus unavailable for offset. A consolidated listing of payment sources unavailable for offset is available from the department's state accounting enterprise.